Gramities is the Department of State's suggested revision to
the sections of the Micronesian Political Status Act entitled
"the Executive" and "Elected Governor" (pages 6 through 11
inclusive) which we feel represents the minimum "manageable"
position internationally. In brief, the revision provides
for an elected chief executive with circumscribed powers. The
description of the powers of the chief executive is essentially
as provided for the appointed governor in the current Act.

Maintained;
However, extensive Federal controls are mentioned provison
is made for a Presidentially appointed advisor who, along
with a suitable staff, would provide advice and assistance to
the Government of Micronesia down to the District level, and

who would, in cases involving the national interest or national defense, be able to refer disputes between himself and the

elected governor to the President for final and binding decision.

The duties of the advisor would be gradually reduced until

the President no longer deemed him necessary, at which time,

with the concurrence of the US Congress, the position and its

functions would be abolished, leaving an elected chief executive

with powers similar to those to be provided the governors

of Guam and the Virgin Islands.

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This proposal is a compromise intended to meet in the best way possible four basic interests -- (1) international requirements; (2) US Congressional views; (3) Micronesian views; and (4) our security needs.

Requirements.

We would court serious political risks if we underestimated this issue.

Nevertheless.

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if we are unable to present a reasonable argument that we have offered and the Micronesians have accepted a status of self-government -- the reverberations in New York would be quickly reflected internationally, and more important, in Micronesia.

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2. <u>US Congressional Views</u>. The Department of the Interior

fears that Congress would balk at the suggestion of an elected chief executive.

Bunkanex While we recognize the strength of Congressional**

opinion, waxkhirxmakker; particularly that of the House Interior Committee, on this matter, we believe that Congress can be convinced that an elected chief executive with the restrictions we havesuggested, plus the overwhelming fiscal controls (unique to Micronesia); the inclusion of the "supremacy clause" from the US Constitution (to provide a check on the legislature)

Federal and the/District Court system (to prevent illegal or unsonstitutional actions) in fact maintains the controls which Congress believes essential.

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In addition to these controls, the suggested revision provides specifically for a training period in which the Micronesians would have to prove themselves capable of self-government; it provides na additional, and purposely vague, powers to the President, on recommendation of his advisor, in matters of vital concern; and it provides for US Congressional review



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prior to the transition to full internal self-government.

- Micronesian Views. Until the negotiations begin it is very difficult to discuss this aspect in any detail. However, the Micronesians appear to have acknowledged their need for an additional transition period before they are ready to assume full control over their own affairs, and they know they still need outside expert assistance. Thus this proposal would seem in line with their general desires. The one drawback may be the lack of a definite termination date for the advisor position. This has been deliberately admitted to avoid one pitfall in the current Act -- the clear implication that the Micronesians are only achieving full self-government on a specific and stated date in the future. Rather it is preferable to leave the termination vague, making more creditable the relationship between the advisor's presence and Micronesian needs. We may, however, be forced to give the Micronesians separate assurances of the termination of this position within a certain period.
- 4. <u>Security Needs</u>. The US security needs are basically provided for elsewhere in the Act so that they will continue to be protected even after the currently planned transition to an elected governor in 1981. The proposed revision thus only

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provides an additional safeguard during the period of the Presidential advisor, by allowing referral of national defense matters to the President for final decision.

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